

and is not the case. I am sorry that I may have given anyone such an impression by uncritically referring to the proposed initiative in the way that I did."

I do not think these responses are sufficient. The concerns that have been raised about these matters are not esoteric. They are the kind of thing that I think we reasonably expect judges to think about before they give public remarks. Nor was Judge Paez brand new to the bench when he made these remarks: he gave the speech in April 1995, some nine months after his appointment. Finally, Judge Paez indicated in response to written questions from Senator ASHCROFT (1) that since his comments only went to the divisive nature of the initiative, he "hope[d]" it would have been clear to the people of California that he had not prejudged the matter but that (2) in any event he would not have recused himself from hearing a challenge to Proposition 209 because he believes he could have been impartial in the matter since judges often have personal opinions on policy questions but are expected to put them aside. It seems to me, however, that given that Judge Paez went out of his way as a judge to say what he did, it would be perfectly reasonable for the people of California not to trust his impartiality and that a recusal pledge with respect to cases involving these initiatives was a bare minimum indicator of the sincerity of his expressions of regret.

Despite the central role that the initiative process has played in California in correcting judicial excesses, I have supported two prior nominees. One was a nominee to a California district court seat who had written a piece criticizing the initiative process itself. The other was a nominee to the Circuit Court whose pro bono work challenging a Washington initiative even before it had been placed on the ballot I alluded to earlier. These activities raised some questions about whether either of these nominees should be confirmed for judicial positions where they would of necessity be passing on the validity of initiatives. In each instance, the nominee's explanations persuaded me that they should be given the benefit of the doubt. Unfortunately, in Judge Paez's case, I find myself unable to do so, and accordingly I have serious objections to his elevation to the Ninth Circuit.

#### CREDIT UNION MEMBERSHIP

• Mrs. BOXER. Mr. President, on February 25, the Supreme Court issued an opinion invalidating the National Credit Union Administration's (NCUA) multiple group policy. I am concerned that the Court's ruling may require some current credit union members to divest their credit union membership. Let me explain.

Section 109 of the Federal Credit Union Act of 1934 provides that "federal credit union membership shall be limited to groups having a common

bond of occupation or to groups within a well-defined neighborhood, community or rural district." Accordingly, prior to 1982, federal credit unions were chartered to serve a single group affiliated by either occupation, association, or residency in a well-defined community.

In 1982, however, the NCUA altered its interpretation of section 109 to allow federal credit unions to comprise not just one, but multiple occupational groups. For example, a credit union formed by and serving the employees of a clothing store, could also, pursuant to the NCUA's 1982 interpretation, serve the employees of a grocery store or a pharmaceutical company. In 1990, a group of North Carolina Banks, as well as the American Bankers Association filed suit against the NCUA arguing that the NCUA interpretation was contrary to the Federal Credit Union Act. The Supreme Court recently issued an opinion in which they found on behalf of the five North Carolina banks and the American Bankers Association.

I think it is important to ensure, however, that no current credit union member be forced to give up their membership if they are multiple-group credit union members. I know that my friend and colleague Senator KERRY is also concerned about this issue.

Mr. KERRY. Mr. President, I thank Senator BOXER and I share her concern that the Supreme Court ruling could require some credit unions to remove some individuals from credit union membership. The credit unions operated in good faith when they extended membership to members of unrelated groups. However, the Supreme Court found that such actions have gone beyond the bounds of the Federal Credit Union Act.

The U.S. District Court, to which the Supreme Court returned the case, can choose from a number of alternatives to provide the required relief in *National Credit Union Administration v. First National Bank & Trust et al.* The Court could choose to expel current credit union members who are not affiliated with the original occupational group, grandfather all current members of credit unions but prevent credit unions from adding any new members who are not affiliated with the original group or allow credit unions to add new members from any employer groups represented by current credit union members but preclude adding members from other unrelated occupation groups.

I believe the members of all current multiple-group credit unions should be allowed to continue in the credit unions they have chosen. Dislocating approximately 10 million credit union members not affiliated with their credit union's original occupation group could potentially have serious effects on the safety and soundness of the credit unions in Massachusetts and across the nation. It would also limit the credit and financial services op-

tions for millions of working families who have come to depend on their credit unions.

I am not prejudging precisely how the Congress should legislate a final resolution of this matter. It deserves careful consideration by Senators and Representatives. But, I believe strongly that until that resolution is determined and enacted into law, it would be a grave mistake for the Court to force existing credit union members out of the affiliation with their credit unions. Such a step would be counter to the public interest.

Mrs. BOXER. I would add that the American Bankers Association, to its credit, has said that, despite the Court's ruling, it has no intention of trying to force credit union members who currently belong to multiple-employer group credit unions to divest their membership. I am hopeful, therefore, that Judge Jackson will allow all current credit union members to remain with their respective credit unions.

Mr. KERRY. I agree with my good friend and also applaud the American Bankers Association decision not to seek action to force dropping credit union members from credit union rolls. All working families in the United States, whether they live in urban or rural areas, deserve access to fairly priced credit and other financial services. Credit unions serve as a way for people of average means, without easy access to affordable credit, to pool their savings in order to make credit available to themselves and their fellow credit union members at competitive interest rates. In the Commonwealth of Massachusetts, for example, there are more than 300 credit unions serving approximately 1.7 million people. These credit unions have helped launch and sustain small businesses. Some of them have played a key role in the development and revitalization of economically distressed communities. In dozens of ways, credit unions have proven themselves to be a vital component of our financial services industry. We must not take precipitous action that could result in grave damage to this portion of the industry. That is especially important until the Congress can pass legislation.

Mrs. BOXER. I could not agree more. In my home state of California, there are 500 federal credit unions and more than 5 million credit union members. So credit unions have been an extremely valuable resource to millions of residents of my state as well.

Finally, Mr. President, I think it is important to put into some context the multiple-group charters that the NCUA began approving in 1982. Beginning in 1982, as a result of the economic conditions of the time—the downsizing of companies, the closing of plants, and slumping U.S. industries—the stability and viability of a number of individual credit unions was threatened. Simultaneously, we started seeing the beginnings of an upsurge in the number of

small businesses. Those small businesses wanted access to credit union services, even though many did not meet the 500 employee threshold for a charter.

Thus, multiple group charters became a means of ensuring that those small businesses, as well as low-income consumers lacking access to more traditional financial services, were able to access the services of credit unions. I believe that these groups should to continue to have access to credit union services, whether through individual or multiple group charters.●

#### TRANSFORMATION IN THE HEALTHCARE MARKET

● Mrs. HUTCHISON. Mr. President, Medical schools and teaching hospitals, the training ground for our nations' healthcare personnel and the centers for world class cutting-edge medical innovation, are facing significant challenges as new efforts of cost containment force radical transformation in the healthcare market. There has been a steady decrease in the pharmaceutical R&D performed at medical schools and teaching hospitals. A study by three pharmaceutical companies revealed that while pharmaceutical R&D is larger dollarwise than NIH, the university-based portion of clinical trials fell from 82% in 1989 to 68% in 1993.

Given this fact, I am pleased to be an original co-sponsor of The Medical Innovation Tax Credit introduced by Senator D'AMATO. This bill would give a tax credit of up to 20% on qualified research expenses to firms that conduct and expand their biopharmaceutical research activities at medical schools and teaching hospitals.

In my home state of Texas, medical technology is poised to become a high-tech boom industry. Texas is currently home to more than 500 medical technology companies with \$5 billion in annual sales, according to a new report released by the Austin-based Texas Healthcare and Bioscience Institute. Medical technology companies currently employ about 38,000 people, making it a medium-sized manufacturing industry comparable to the state's paper, lumber and aircraft industries.

Texas' growing presence in medical technology is firmly rooted in the state's universities and health-related research institutes. Academic health centers such as The University of Texas Southwestern Medical Center at Dallas, Baylor College of Medicine and MD Anderson Cancer Center in Houston, and the University of North Texas Health Science Center in Fort Worth position Texas as a world leader in biomedical research.

By stimulating more private-sector research at these institutions, the Medical Innovation tax Credit will help ensure America's continued preeminence in bio pharmaceutical research; provide needed resources for medical schools and teaching hospitals; and en-

courage more clinical trials to be conducted in the United States.

Mr. President, I look forward to working with Senator D'AMATO and members of the Finance Committee to create an environment that will enable medical technology to grow and create jobs.●

#### TRIBUTE TO EAGLE SCOUT JOHN BADEEN

● Mr. ABRAHAM. Mr. President, I rise today to honor a fine young man, John Badeen, for reaching the esteemed rank of Eagle Scout. Earning this coveted award is testament to the fact that he possesses a strong character and exceptional citizenship. Having reached Scouting's highest rank, John undoubtedly possesses the solid skills and values necessary to be a valuable asset to his community and to the nation.

John, as well as his family and friends should be very proud of his accomplishment. Scouting is a wonderful asset to our country that aids in shaping our young people into fine citizens. Boy Scouts in this country have grown to become prominent and respectable citizens within their communities.

I want to extend my warmest congratulations to John. I am confident that he will continue working for the good of his community and serving as an example to all young people. I wish him the best in all of his future endeavors. I would also like to add that it gives me great pleasure to give this award in the company of my good friends, Father George Shalhoub and Father John Badeen. ●

#### TRIBUTE TO MR. EDWARD J. PISZEK

● Mr. SANTORUM. Mr. President, I rise today to recognize a constituent who has distinguished himself at home and abroad. This week, Edward J. Piszek will be honored in Philadelphia for receiving one of the Republic of Poland's highest civilian honors.

On March 16, 1998, President Aleksander Kwasniewski bestowed the "Polonia Restituta," or the "Commander's Cross with a White Star" upon Mr. Piszek. This medal is presented for extraordinary service to the nation of Poland. Recipients of the Polonia Restituta are celebrated for their achievements in government and public activities, for contributions to promote Poland's independence, or for advancing Polish culture in the areas of education, literature and the arts.

The son of Polish immigrants, Ed exemplified his parents' strong work ethic. It was a lesson well learned. In 1946, with \$350 and the help of a close friend, Ed founded Mrs. Paul's Kitchens, Inc. Under his direction, the company became one of America's largest producers of prepared frozen seafood and vegetables.

Ed began his philanthropic work in Poland during the 1960s. After witnessing the tremendous suffering caused by

the high incidence of tuberculosis, he donated an ambulance to the hospital in Tarnow in memory of his parents. Later, he would provide 11 mobile x-ray units and 42 support vehicles to transport technicians.

Mr. Piszek's commitment to the Polish people did not end with those initial acts of kindness. When the country suffered from food shortages in the early 1980s, he donated 10 million pounds of fishcakes. After the nuclear disaster in Chernobyl, Ed participated in an airlift of powdered milk and food to those who were affected in Poland. Mr. Piszek has also worked to help the Polish people elevate their culture. He and author James A. Michener established a Young Polish Writer's workshop. Similarly, Ed supported the "United States Peace Corps Partners in Teaching English" which has already trained 25,000 new English teachers in Poland.

On the home front, Ed has worked to elevate the image of Polish Americans. He purchased the home of General Thaddeus Kosciuszko—a Polish engineer who came to fight in the American Revolution and then later designed West Point—and donated the property to the National Park Service. In 1972, he founded the Copernicus Society of America. This private non-profit foundation strives to promote and encourage artistic, scientific, and historical activities throughout the world.

In countless many ways, Ed Piszek has helped build a cultural bridge between the U.S. and Poland. For instance, he hosted a visit from Lech Walesa at the Copernicus Society's headquarters in Fort Washington, PA. He was instrumental in making arrangements for ABC News to go "behind the walls" of the Vatican and film John Paul II in his work day and private moments. The end result was The Pope and His Vatican, an ABC News Special which aired Easter Night, 1983. Another of Ed's noteworthy achievements was coordinating with the Copernicus Society and Penn State University to hold Agricultural Economic Development Summits in the Pzeszow Province of Poland. These one-week seminars allow agricultural experts from Poland and Penn State to share their knowledge and their expertise with neighboring countries. Finally, Mr. Piszek is working to promote the national pastime in Poland. A board member of the Little League Baseball Foundation in Williamsport, PA, Ed is deeply involved in developing the Little League Baseball European Training Center in Kutno, Poland. He hopes that baseball will teach children of all nations the concepts of teamwork, leadership, and character. All things considered, Edward Piszek was an obvious choice to accompany President Clinton to Warsaw in support of NATO membership for Poland.

Mr. President, one man can truly make a difference. Mr. Piszek's work has touched thousands of lives. As he is